

**KENTUCKY TEACHERS' RETIREMENT SYSTEM
MINUTES OF THE SPECIAL MEETING OF THE BOARD OF TRUSTEES
November 19, 2010**

Under authority of KRS 161.290(1), the Board of Trustees of the Teachers' Retirement System of the State of Kentucky convened in Special Session in the Educational Conference Room of the Teachers' Retirement System Office, 477 Versailles Road, Frankfort, Kentucky, at 8:30 a.m., Friday, November 19, 2010.

Board Called to Order

Barbara G. Sterrett, Chair, called the meeting to order.

Roll Call

Members present were:

Laura A. Zimmerman
Barbara G. Sterrett
Ruth Ann Sweazy
Ronald L. Sanders
Robert M. Conley
Kathy Jennings

Others present were:

Gary L. Harbin, Kentucky Teachers' Retirement System
Eric Wampler, Kentucky Teachers' Retirement System
Robert Barnes, Kentucky Teachers' Retirement System
Jane Gilbert, Kentucky Teachers' Retirement System
Julie Rogers, Kentucky Teachers' Retirement System
Daryl Dunagan, Kentucky Teachers' Retirement System
Paul Yancey, Kentucky Teachers' Retirement System
Kevin Carrico, Kentucky Teachers' Retirement System
Karen Ashby, Kentucky Teachers' Retirement System
Kathryn Brewer, Kentucky Teachers' Retirement System
Leeann G. Uebel, Kentucky Teachers' Retirement System
Edward A. Macdonald, Cavanaugh Macdonald Consulting, LLC (via telephone)
Catherine Turcot, Cavanaugh Macdonald Consulting, LLC
Terry A.M. Mumford, Ice Miller LLP
Curtiss M. Scott, Jr., Todd-Veredus Asset Management LLC

Actuarial Overview / Cavanaugh Macdonald

Catherine Turcot and Edward A. Macdonald (via telephone) of Cavanaugh Macdonald Consulting, LLC presented a report on actuarial concepts, including a discussion of "best practices" related to an Actuarial Experience Study and an Actuarial Audit.

KTRS Medical Benefits and Administration

Jane Gilbert and Julie Rogers presented a report concerning retiree medical benefits and 2010 legislative changes affecting the KTRS retiree health plan.

KTRS Investments Review

Paul Yancey and Kevin Carrico delivered a presentation regarding investment concepts, which included matters related to asset allocation and targets and ranges for particular asset classes.

Eric Wampler reported to the Board regarding statutory and regulatory requirements for investment policies. Mr. Wampler also discussed proposed amendments to the investment policies.

Federal Tax Compliance and Fiduciary Issues

Terry A.M. Mumford of Ice Miller LLP presented a report on issues involving federal tax compliance. Ms. Mumford also reviewed governance and fiduciary issues related to the SEC's final rules regarding placement agents.

Fiduciary and Ethics Overview

Beau Barnes reported to the Board regarding the Executive Branch Ethics Laws and Board policies regarding conflicts of interest.

Current State of the Economy

Curtiss M. Scott, Jr., Todd-Veredus Asset Management LLC, reported to the Board regarding investment concepts, including the economic outlook for the U.S. and global economies.

State of Public Pension Plans and Public Pension Plan Envy

Mr. Harbin gave an overview of relevant issues related to governance and public pension fund administration.

Adjournment

There being no further business to come before the Board of Trustees, Chair Sterrett declared the meeting adjourned at 4:30 p.m.

CERTIFICATIONS

We, the Chair and the Executive Secretary of the Board of Trustees of the Kentucky Teachers' Retirement System, do certify that the Minutes of Meeting were approved by the Board on December 20, 2010.

Barbara Sterrett, Chair

Gary Harbin, Executive Secretary

I, Robert B. Barnes, do certify adherence to the Kentucky Open Meetings Act, KRS 61.800 et seq., in the conduct of this meeting. I have reviewed the minutes for form, content, and legality.

Robert B. Barnes, Deputy Executive Secretary and General Counsel

I, Leeann Uebel, do certify that I was present at the meeting and duly recorded the actions of the Board of Trustees of the Kentucky Teachers' Retirement System at its meeting on November 19, 2010.

Leeann G. Uebel
Recording Secretary